



FY 2014-2015 ANNUAL REPORT



A MESSAGE FROM THE PRESIDENT AND CHAIR

We are pleased to report on LAEDC's activities for the fiscal year ended June 30, 2015. During the year, we achieved significant results in support of our public-benefit, non-profit mission to strategically chart a path for the future of our economy, to foster job growth and more broadly shared prosperity.

In February 2015, the LAEDC's Business Assistance Program reached the milestone of 200,000 jobs directly retained or created in L.A. County since the program began in 1996. These direct jobs, coupled with indirect and induced jobs, totaled 443,135 individual residents able to provide for themselves and their families as a result of LAEDC's programs.

LAEDC moved to increasingly address the issues of shared prosperity and higher standards of living for LA County residents, and develop strategies to combat income inequality and create more job opportunities.

As a key part of this work, LAEDC has begun facilitating the second L.A. County Strategic Plan for Economic Development (2016-2020) which engages broad public consensus to define shared priorities for stakeholders and policymakers across LA County.

The Strategic Plan will also help our region navigate the unprecedented economic transition to the Information Age that is underway and affecting us all. The plan outlines actions that can be taken to foster greater success of our region's industries and it seeks to prepare our residents for the changing occupational opportunities.

Aligned with development of the Strategic Plan, LAEDC's industry cluster initiatives supported job creation in the vulnerable export-oriented industries that serve as economic engines in LA County, including aerospace. Related to this is LAEDC's work

fostering and promoting innovation in our economy. LAEDC created and organized the first annual LA Innovation Week in October, 2014, highlighting and energizing innovation within our region. LAEDC also released a study, High Tech in LA which changed people's perception of our region by revealing our remarkable technology sector.

In March 2015, LAEDC subsidiary World Trade Center-LA and LAEDC created and hosted the successful "Welcome to LA" conference for foreign investor delegates traveling to the SelectUSA conference in Washington D.C., and made the case for investment in our region to a very receptive audience. On the other side of the ocean, World Trade Center staff conducted another productive trade mission to China. We continue to leverage global connections to improve opportunity for our region to increase exports and Foreign Direct Investments, driving job creation here.

Many more results from our strategic initiatives are detailed within these pages. This vital work depends on our members' commitment of time, energy, and funding and we are grateful for their engagement. Many additional individuals and collaborating partners helped us develop and implement initiatives. We would also like to thank the Supervisors and the CEO of L.A. County.

Through your support of LAEDC, you improve the quality of life for our residents and their families—which rests on the simple foundation of jobs.

Best regards,

Bill Allen, LAEDC CEO
Raul A. Anaya, LAEDC Chair FY '14-'15

BUSINESS ASSISTANCE PROGRAM

LAEDC's Business Assistance Program (BAP) provides business development consulting at no charge to grow businesses and jobs in Los Angeles County and targets domestic business attraction, expansion and retention. BAP regional managers assist companies that want to locate in LA County and conduct field visits and provide action plans to help businesses overcome challenges and hire.

Principal accomplishments for FY 2014-15 were:

10,585 JOBS RETAINED, ATTRACTED OR EXPANDED

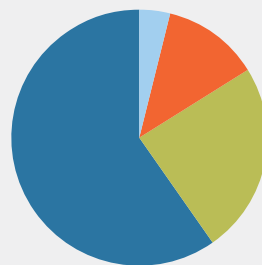
\$585,456,350 IN DIRECT ECONOMIC IMPACT (WAGES)

\$10,203,952 IN LOCAL TAX REVENUE

\$760:1 EVERY DOLLAR THE COUNTY INVESTED RETURNED
\$720 OF DIRECT ECONOMIC IMPACT (JOB WAGES)



FISCAL IMPACT 2014-15



.25% Sales Tax Revenue to County	\$ 439,877
.75% Sales Tax Revenue to Cities	1,319,632
1.5% Sales Tax to Transportation Fund	2,639,264
K-12 & CC, Heath & Human Services*	5,805,179
Total Fiscal Benefit	\$ 10,203,952

BUSINESS ASSISTANCE TEAM ACCOMPLISHMENTS 2014-15

Category	Achieved	Type	# of Projects	Jobs
Jobs won	10,585	Retention	79	6,194
Projects won	127	Expansion	27	3,395
In-person consultations	1,477	Relocation	10	730
Project Pipeline	364	Attraction	11	266
Jobs Pipeline	32,153			
Presentations	28	TOTAL	127	10,585
Outreach to employers	29,740			
GO-Biz searches	22			
Site searches	55			

This year LAEDC reached the milestone of 200,000 jobs created or retained in LA County, and was pleased to be recognized by the Board of Supervisors of LA County for this accomplishment!

LAEDC closed the fiscal year with a historical program total of 207,040 jobs created or retained.

The LAEDC Business Assistance Program has been recognized as being among the best in the world, by the leading economic development authorities. LAEDC has received the following awards: **Grand Prize Award for LAEDC Layoff Aversion Program** (CALED), **Grand Prize Winner** (IEDC), **Gold Award Winner** (IEDC), and **Award of Merit for the Business Assistance Program** (CALED).

BAP HIGHLIGHTS

- On December 31, 2014, after 19 years, LAEDC's BAP Team achieved the significant milestone of helping to attract, retain and expand over 200,000 direct jobs in LA County.
- Performed 55 facility searches for company clients, each highlighting numerous location options in all the regions of the County. Facility searches were made for firms in manufacturing, information, warehouse and distribution and more.
- Responded to 22 requests for information from multinational corporations in partnership with the California Business Incentive Services (CalBIS) and Governor's Office of Business and Economic Development (GO-Biz).
- Conducted 28 well attended public presentations to businesses, business organizations and community organizations to promote economic development and business assistance in the County.
- Successfully worked on 11 attraction projects, 79 retention projects, 27 expansion projects and 10 relocation projects totaling 10,585 direct jobs won for our region.
- Conducted 1,477 in-depth consultations with individual businesses and tailored detailed action plans for firms that outlined specific services and referrals.
- Continued to provide support to the Greater Antelope Valley Economic Alliance (GAVEA), the San Gabriel Valley Economic Partnership (SGVEP), the Santa Clarita Valley Economic Development Corporation (SCVEDC), and The Valley Economic Alliance (VEA).
- Published the most comprehensive and up-to-date Business Incentives Guide to help businesses throughout the region—and those considering sites in the County—leverage the available local, state and federal tools to succeed, hire and train their employees.
- Continued to provide direct support for the economic development activities of cities in each of the regions of L.A. County.
- The Most Business-Friendly City (MBFC) Award in L.A. County continued to grow in prestige. Many cities submitted comprehensive MBFC applications in FY 14-15, and the winning cities of Glendora and Glendale were honored before more than 600 business and civic leaders at the LAEDC's Annual Eddy Awards. This award competition has increased cities' awareness of the importance of a business-friendly environment, and we have seen specific actions taken by large and small cities throughout the County to improve their business climate, which helps employers create jobs.



LA COUNTY'S LAYOFF AVERSION CONTRACT WITH LAEDC

In addition to our Social Program Agreement, LA County CSS contracts with LAEDC for a Layoff Aversion program. Year two of the three-year contract concluded February 2015.

LAEDC PERFORMANCE

Introduced no-cost federal, state and local business assistance programs, resources and services to firms throughout L.A. County through a targeted informational outreach campaign to over 29,740 firms through emails, personal phone calls and mailings.

All other metrics in the contract were completed at 100% of goal or higher.



WORLD TRADE CENTER LOS ANGELES

World Trade Center Los Angeles, LAEDC's affiliate, continued its focus on both attracting Foreign Direct Investment (FDI), and helping our local firms increase export and trade opportunities. This focus on international trade and investment continues to improve our regional economy and creates well-paying jobs for LA County residents. Together, the Business Assistance and World Trade Center Los Angeles teams provide a comprehensive and integrated effort.



Stephen Cheung
WTC-LA President

During FY14-15, WTC-LA helped successfully secure EB5 funding for the Molina Healthcare project in Long Beach which supported 1000 skilled jobs. WTC-LA also expanded its international operations by signing an MOU agreement to have BridgehouseLaw represent L.A. County in Germany. WTC-LA representatives visited Chinese cities including Wuhan and Changsha to invite investment into L.A. County and supported Los Angeles Mayor Eric Garcetti's first trade mission to China, visiting Guangzhou and Shenzhen, Shanghai, and Beijing. The WTC-LA also established a partnership between LAEDC, China Southern Airlines, LA Tourism and Convention Board, UCLA Medical, USC Keck School of Medicine, City of Hope, Cedars Sinai and Children's Hospital Los Angeles to increase medical travel from China to Los Angeles County.

As a direct result of the trade mission to China, the L.A. City Mayor's Office partnered with WTC-LA to host the Tripartite Summit that facilitated business matching between 150 local businesses and 110 investors and companies from Guangzhou and Auckland. Furthermore, in partnership with Select USA, WTC-LA hosted the first Welcome to L.A. investment conference that attracted over 150 foreign investors and 200 local companies, with welcoming remarks from L.A. County Supervisor Michael D. Antonovich.



To better market LA County, the WTC-LA revamped its website and published a new "Invest with the Best" brochure that was well received at President

Obama's Select USA Conference in Washington, DC and at the LAEDC's annual International Trade Outlook Event. In the tradition of connecting through research on key trading partners, the "Growing Together: Taiwan and Los Angeles County" report was released, and Bill Allen presented a copy of the report to Taiwan President Ma Ying-jeou during his recent visit to Los Angeles.

As a direct result of WTC-LA and LAEDC's efforts to secure BYD's operations in Los Angeles, the LA County Metropolitan Transportation Authority (LA Metro) took delivery of five of BYD's new all-electric buses that were manufactured at its Lancaster plant. Metro's initial contract calls for the agency to buy 20 more buses if the first five meet expectations. Furthermore, the Long Beach Transit has ordered 10 buses from BYD with the option for 50 more. Employment at BYD facilities in L.A. County now exceeds one hundred, and the company continues to add skilled workers and exemplifies the job creation that foreign direct investment can bring to the region.

Stephen Cheung, WTC-LA's new president, who brings experience from the City of L.A. and the Port of L.A., oversees trade missions that will position WTC-LA for a productive year ahead.



WORLD TRADE CENTER®
LOS ANGELES



KYSER CENTER

A trusted resource, LAEDC’s Kyser Center for Economic Research assesses the global economy relative to LA County and provides reliable forecasts, relevant data and insightful perspectives to help Southern California understand and take advantage of emerging economic trends.

Effective economic development depends on good intelligence. A trusted resource, LAEDC’s Kyser Center for Economic Research tracks the Los Angeles County and Southern California economies and industries as well as their linkages to the California, U.S. and international economies. The Kyser Center provides reliable forecasts, relevant data and insightful perspectives to help Southern California understand and take advantage of emerging economic trends.

Kyser Center staff prepared quarterly reports specifically for the Board of Supervisors’ planning needs, including forecasts of unemployment rates, total taxable sales and inflation. Our economists conducted research to better understand the dynamic LA County economy, produced numerous public reports, hosted public events, and provided accurate information to the media. Kyser Center published LA Stats, a popular summary of regional employment, demographics, income and other data. Additionally, Kyser Center published the San Gabriel Valley Economic Forecast and Industry Outlook.

Kyser Center hosted two major Economic Forecast and Industry Outlook events, in October 2014 and in February 2015, accompanied by the release of detailed forecast reports which analyzed and predicted economic conditions and job growth

for the industries in LA County and its regions. These reports were widely referenced by media and used by governments and businesses for planning.

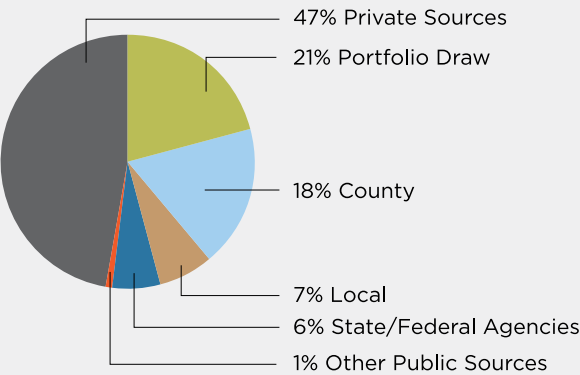
The 2015 International Trade Outlook event and accompanying report documented the importance of international trade to the region, with data on major trading partners, trade flows and goods movement activities. Through the trade forecast, local businesses learned about our projected increases in trade volume and could plan hiring accordingly. Opportunities with Taiwan were also revealed through the new report, Growing Together: Taiwan and Los Angeles County.

Kyser Center published its 8th Otis Report on the Creative Economy in the LA Region and second Otis Report on the Creative Economy in California, revealing the value of the creative industries to our region, and re-affirming that LA County is the creative capital of America.

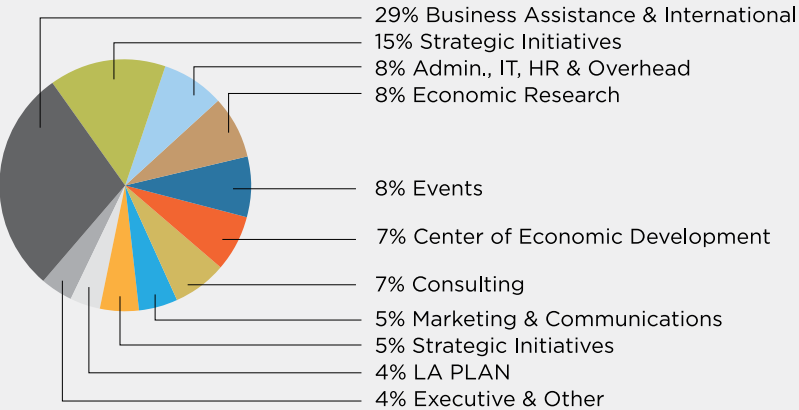
In FY14-15, the Kyser Center Staff delivered 62 speeches and presentations, conducted 244 media interviews, handled 119 information requests, and served 3,600 subscribers via the free, weekly e-EDGE newsletter.

LAEDC FINANCIAL SUMMARY FY 2014-15

FUNDING



EXPENDITURES



SUCCESSFUL LAEDC INITIATIVES

The LAEDC spearheaded crucial initiatives and programs during FY '14-15 to promote a globally competitive L.A. County economy that is positioned to create jobs as we move into the future, to improve the health and wellbeing of our residents and communities.



Industry Clusters and Workforce Development

In Fiscal Year 2015, the LAEDC ramped up its efforts to support our region's export-oriented industry clusters, which create well-paying jobs and act as economic engines for the economy by attracting wealth from around the world through sales of goods and services produced in L.A. County. Through focused initiatives, our staff is bringing together diverse stakeholders, public officials, colleges and businesses to collaborate and foster industry and job growth.

As part of this industry cluster alignment, we further strengthened the focused work on aerospace and defense and advanced transportation while also setting a foundation for the next industry cluster initiatives including bioscience.

The e4Mobility Alliance (sustainability and transportation) grew to over 900 members and the Jobs Defense Council (aerospace and defense) grew to over 500. The work these groups took on helped us attract companies to locate in L.A. County and stay within the region. LAEDC facilitated programs and efforts at universities and community colleges to help meet the needs of these industries and help students gain the right skills to find well-paying careers in our region. LAEDC increased its capacity to support companies in these industries, especially in the areas of workforce development, incentives, supplier networking, innovation, and public policy.

Strategic Plan

December 2014 marked the 5 -year milestone for the first-ever Strategic Plan for Economic Development (2010-2014). LAEDC reviewed its role in leading the public process, performed a review of progress against the five goals of the plan, and commenced work facilitating and driving forward a new public

input process as the foundations of the new 2016-2020 Strategic Plan. This process, expected to continue through year 2015, will again ultimately yield the second consensus shared priorities that will guide economic development throughout the region with the explicit priority of increased shared prosperity and higher standards of living for all L.A. County residents.

Work continues at www.laedc.org/strategicplan.

Public Policy

The LAEDC continued to help inform our public sector leaders on effective policy options to support the growth of L.A. County industries, and the jobs and tax base they provide. During the fiscal year, the LAEDC public policy team had a number of legislative affairs accomplishments, successfully shepherding 10 of its 14 "target" bills to enactment and chaptering, and was extremely successful in its administrative law efforts, commenting on and successfully delivering a number of important rulemaking changes on weighty agency regulatory proposals. The LAEDC's public policy work focused heavily on bills and regulatory proposals impacting our region's leading export-oriented industry clusters; supporting R&D, and innovation broadly; increasing our global connectedness; and helping to fix infrastructure development and financing processes. A few of the LAEDC's successful legislative and rulemaking highlights, include:

- A bill that provides a property tax exemption for equipment used in flight travel
- Two bills that provide property tax abatements and a hiring tax credit for large aerospace projects
- Legislation to extend, restructure and expand the California Film & TV tax credit program
- A bill that requires the Governor's Office of Business and Economic Development to develop a state strategy for international trade and investment
- Legislation to create Enhanced Infrastructure Financing Districts
- Rulemaking changes to the California Air Resources Board Sustainable Freight Strategy
- A rule change to reclassify equipment used in space flight travel as business inventory, not property
- A much needed petition effort to support the essential Export-Import Bank.

Center for Innovation

The Center for Innovation at LAEDC continues to serve as the regional partner for Blackstone Foundation and the Launchpad entrepreneurship hubs at UCLA, USC, and UCI. In this role, LAEDC supports the LaunchPad program, which offers students the opportunity to nurture business ideas that create local jobs. In FY 14-15, the Center for Innovation successfully launched the inaugural LA Innovation Week in October 2014 to promote LA County as a leading global center for innovation. Thirty six events across the county were attended by over 6,000 people, not including the tens of thousands at both JPL's open house and CicLAvia. LAEDC began actively planning LAIW2015 for October 2015 and is striving for a robust program of more than 100 events, to help ensure this will become an annual event that attracts national and international attention, which will help keep our most talented workers in the region, and foster business investment.

LA PLAN (for Public Real Estate)

Budgetary pressures and the elimination of redevelopment agencies have left local governments without enough tools to develop under-utilized land holdings to create jobs and generate economic growth. In response, LAEDC created a subsidiary called the Los Angeles Public Landowners Assistance Network (LA PLAN), which partners with the public sector in L.A. County to plan and implement real estate and financing transactions that attract investment and grow L.A. County's employment. LA PLAN assists in bringing together the resources of the public and private sectors in real estate collaborations to serve the public good.

LA PLAN worked collaboratively with the California Endowment and City of L.A. to structure a deal to bring a new 25,000 square foot supermarket to South LA that will occupy a city-owned lot that has been vacant for more than 20 years. Other recent LA PLAN projects include: (1) ocean-related sustainability development strategy with nonprofit AltaSea, (2) a real estate expansion plan for the Charles R. Drew Medicine and Science University, and (3) the implementation of a Supermarket Development Strategy throughout South Los Angeles to attract and negotiate deal structures to secure full-service supermarkets in food deserts.

Southern California Leadership Council

Collocated with the LAEDC, The Southern California Leadership Council stands as a non-partisan, non-profit, business-led regional public policy partnership whose membership includes three former California Governors and over two dozen Presidents and CEOs of top Southern California companies and agencies. The Leadership Council is focused

on economic vitality, job growth and quality of life throughout Southern California. During FY14-15, the Leadership Council concentrated on positively impacting public policy in seven issue areas: Workforce Development, Water Reliability, Goods Movement Solutions, Business Retention & Attraction Strategies, Energy Solutions, Regional Planning, and Climate Change Strategies. During FY14-15, the Leadership Council added Kish Rajan as president, who most recently served as Director of the Governor's Office of Business and Economic Development. Details on the web at socallc.org



Kish Rajan

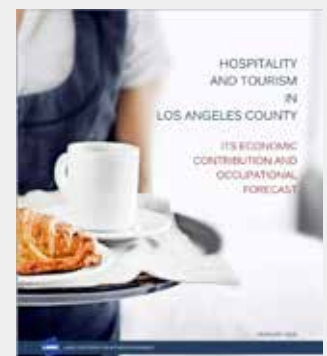
INSTITUTE FOR APPLIED ECONOMICS

The LAEDC Institute for Applied Economics specializes in objective economic and public policy research for public and private entities in order to foster informed decision-making. Its clients include city and county governments, agencies and departments, workforce investment boards, universities, developers, advocates, industry associations and legislators. This research also guides LAEDC program development, including collaboration with workforce investment boards and cluster development initiatives.

During FY 14-15, the Institute conducted a study for the LA County Board of Supervisors on the implications of raising the minimum wage. As part of our ongoing partnership with our regional Workforce Investment Boards (WIBs) and other education and workforce development partners, the Institute published *People, Industry and Jobs 2014-2019*, a study on LA County's workforce needs, occupational forecasts, and skills required by occupations. In the second year of a three-year contract with LA Metro, the Institute conducted an impact analysis of the Union Station Master Plan. Several large press outlets cited the Institute's economic impact analysis of the proposed NFL stadium in City of Carson.

This is the first year the Institute received funding from JPMorgan Chase Foundation to undertake a series of industry cluster studies in LA County. As part of that funding, the *"High-Tech in LA"* study was released, which kicked-off the inaugural Los Angeles Innovation Week. The second funded study was *Hospitality and Tourism in Los Angeles County: Its Economic Contribution and Occupational Forecast*.

Additionally, the Institute conducted an industry dependency study (the first of its kind) identifying forward industry linkages present in California's petroleum refineries to identify risk in the event of a supply shock.



LAEDC

Established in 1981, the Los Angeles County Economic Development Corporation (LAEDC) provides strategic economic development leadership to promote a globally competitive, prosperous and growing L.A. County economy to improve the health and wellbeing of our residents and communities and enable those residents to meet their basic human need for a job. We achieve this through objective economic research and analysis, strategic assistance to government and business, and targeted public policy. Our efforts are guided and supported by the expertise and counsel of our business, government and education members and partners. Since 1996, the LAEDC's Business Assistance team has helped to retain or attract over 200,000 annual jobs in Los Angeles County.



The LAEDC thanks the Board of Supervisors of LA County for their support.



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OUTREACH and COMMUNICATIONS

As part of LAEDC's contract with the County of Los Angeles, LAEDC provides valuable information for government and the business community. Here is a select summary of communications vehicles utilized during FY14-15.

- The *Progress Report* looked back at the goals from the 2010-2014 LA County Strategic Plan for Economic Development and summarized the positive progress and remaining challenges in our region, setting a foundation for development of the next 2016-2020 Strategic Plan.
- LAEDC published a new corporate overview brochure, detailing our public-benefit, non-profit mission in the County.
- The Invest with the Best brochure was published to help international investors understand that the best return on investment is in the US, led by California, and specifically LA County.
- LAEDC's new website LAEDC.org went live at the start of FY14-15, serving as the most comprehensive source of easy-to-find information about LA County's strong economy and all its assets and related economic development services.
- A new Business Incentives Guide was published at the close of FY14-15, detailing all the local, state, and federal incentives, resources and benefits available to companies who want to succeed and hire in LA County.
- The *e-Edge* economic data newsletter was produced every week to help our region understand and take advantage of trends and analysis.
- LAEDC's *Briefly* newsletter was developed and circulated to keep LAEDC partners and interested stakeholders apprised of our meetings, events, and key initiatives.
- Social media engagement increased dramatically during the year, with LAEDC posting to Twitter, LinkedIn, Facebook, and Instagram, increasing awareness and collaboration on key initiatives.